

HELP WANTED:

Matching Jobs to Degrees

OVERVIEW

Job losses during the recession have already created challenges that will endure well beyond the recovery. Many jobs lost in the recession are not coming back, especially blue collar jobs that required a high school education or less. At the same time, the number of jobs requiring some form of postsecondary education is on the rise. By 2018, it is estimated that the United States will come up at least three million postsecondary degrees short of employers' demands. States and territories will be pressed not only to have a more educated population, but a more educated population in areas important to economic growth.

Governors have an opportunity to strategically prioritize higher education in their states and territories by linking labor market demand with education supply through expansion of existing data systems. Understanding what the job openings are by state and using that information to tailor and prioritize educational programs in a state will give governors a solid foundation on the path to recovery.

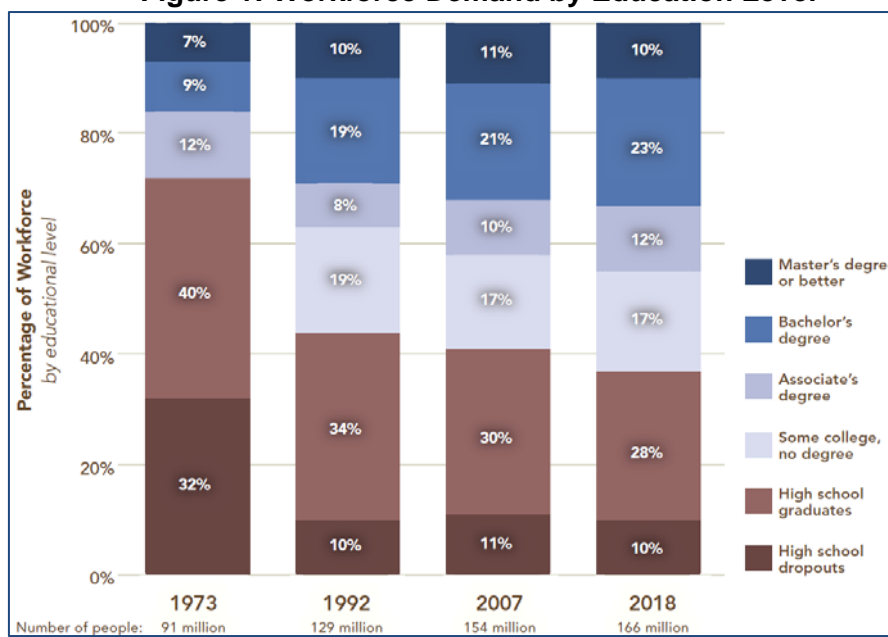
Most of this information is available and collected but has not been connected or made user-friendly. Since the 1930s, every state has kept wage-records data. Additionally, most states have access to curriculum and transcript information for students in public institutions, and in some cases, private institutions as well. However, few states have tied wage records to postsecondary certificates or degrees, much less to specific programs or courses; those states that have connected these data do not present the information publicly or in user-friendly ways.

Armed with this information, governors will be better equipped to advocate for increased efficiency in the education system so that individuals can both obtain and afford the education and training they need to secure jobs, especially well-paying jobs, in the evolving labor market.

SUMMARY OF FINDINGS

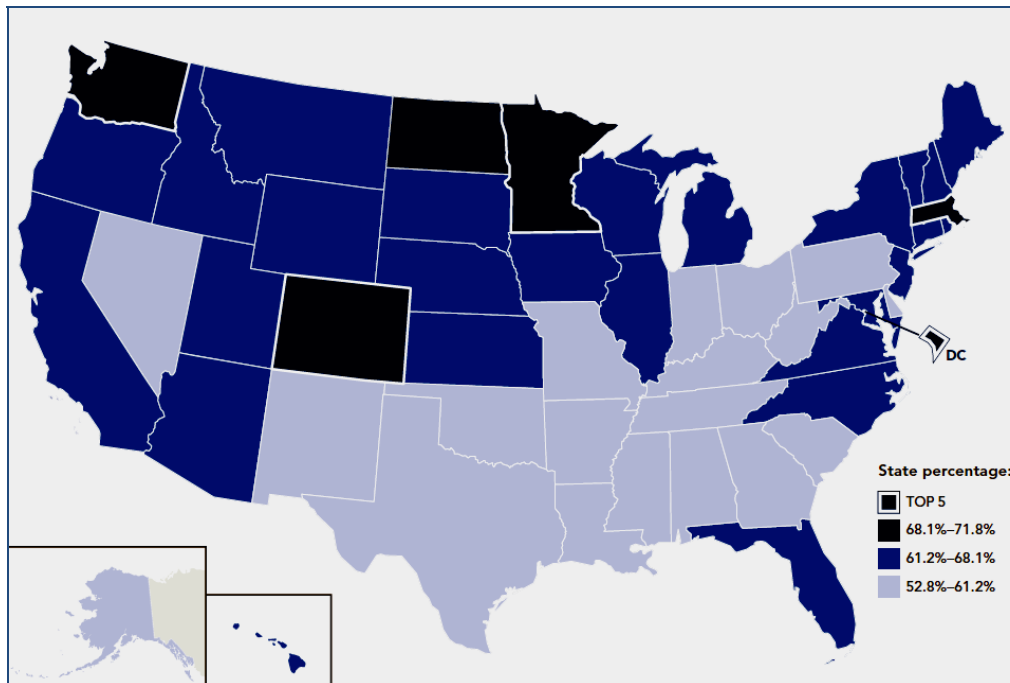
The demand for education beyond high school in the workforce continues to climb. In 1973, only 28 percent of jobs required postsecondary education. By 2008, the number requiring postsecondary education had climbed to 59 percent, and by 2018, it is expected to reach 63 percent.

Figure 1: Workforce Demand by Education Level



While the percentage of jobs requiring postsecondary education will vary across states, the majority of jobs will require education beyond high school in all states by 2018. The states with the highest projected concentration of jobs requiring postsecondary education are Colorado, Minnesota, Massachusetts and Washington. Even in the South and Midwest, where education requirements are lowest, more than half of all jobs will require some postsecondary education.¹

Figure 2: Percentage of Workforce Requiring Postsecondary Education by State



Nearly all of the fastest growing occupation clusters require postsecondary education. Roughly 90 percent of the jobs in four of the five fastest growing occupational groups require postsecondary education.

- Health care technical and professional occupations (includes registered nurses, health technologists);
- Education (includes teachers/faculty, staff, administrators);
- Science, technology, engineering, and mathematics (includes computer and math science occupations, architects, engineers, and technicians); and
- Community services and the arts (includes arts, design, entertainment, sports, and media occupations; community and social service occupations).

These four groups will make up 20 percent of all employees in 2018.

¹ These statistics are based primarily on the industries and occupations that make up the states' economies. This economic composition drives the type of education needed by workers to perform favorably in their jobs more so than the amount of education they hold.

Without some kind of postsecondary education, individuals are more likely to be unemployed, underemployed, or in jobs that don't provide middle-class wages. In 2008, 90 percent of workers with a high school education or less were found in occupational clusters such as food and personal services and healthcare support occupations that do not provide family-supporting wages and in sectors and industries that continue to lose jobs.

Postsecondary education has become necessary for individuals to move into and remain in the middle- and upper-income classes. In 1970, 46 percent of high school dropouts were found in the middle-income class.² By 2007, only a third achieved that status. Among high school graduates, the percentage fell from 60 percent to 45 percent.

IDEAS FOR ACTION

Develop a state-level learning-labor exchange that connects available information about educational programs, wages paid to graduates of these programs, and real-time job advertisements. With these data linked, a learning-labor exchange could:

- Help policymakers and individuals alike determine which programs are generating earnings and employment;
- Tell education providers what occupations are in demand and what certificates, industry certifications and degrees are requested by job advertisements; and
- Help citizens discern the marginal value of additional postsecondary education or training for improving their economic prospects.

Initiate and expand education programs that efficiently move working students and adults into good jobs. Viable initiatives include:

- “Learn and earn” programs like apprenticeship, structured work experience, paid internships, and work study programs for students;
- Compressed and accelerated occupational training programs that provide credit for prior learning and integrate basic skills preparation with intensive occupational training, leading to postsecondary certificates with demonstrated labor market value;
- Modular programs that allow for exit and reentry and create transparent pathways among certificates, industry based certifications and degrees; and
- Blended forms of instruction that mix online, work-based and classroom learning.

ACKNOWLEDGEMENTS

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² Defined here as the middle 40 percent of family incomes.